

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)
FILING OF DELTA NATURAL)
GAS COMPANY, INC) CASE NO. 2012-00253

O R D E R

On October 21, 2010, in Case No. 2010-00116,¹ the Commission approved rates for Delta Natural Gas Company, Inc. ("Delta") and provided for their further adjustment in accordance with Delta's Gas Cost Adjustment ("GCA") clause.

On June 18, 2012, Delta filed its proposed GCA to be effective July 23, 2012.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Delta's notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.
2. Delta's notice sets out an Expected Gas Cost ("EGC") of \$5.2759 per Mcf, which is a decrease of \$1.1493 per Mcf from the previous EGC of \$6.4252 per Mcf.
3. Delta's notice sets out a current quarter Refund Adjustment ("RA") of (\$.0785) per Mcf. Delta's total RA is (\$.1294) per Mcf, which is a decrease of \$.0630 per Mcf from the previous quarter total RA of (\$.0664) per Mcf.

¹ Case No. 2010-00116, Application of Delta Natural Gas Company, Inc. for an Adjustment of Rates (Ky. PSC Oct. 21, 2010).

4. Delta's notice sets out a current quarter Actual Adjustment ("AA") of (\$.6271) per Mcf. Delta's total AA is \$1.1193 per Mcf, which is a decrease of \$.2987 per Mcf from the previous total AA of \$1.4180 per Mcf.

5. Delta's notice sets out a Balance Adjustment ("BA") of \$1.8514 per Mcf, which represents an increase of \$1.1392 per Mcf from the previous BA of \$.7122 per Mcf.

6. Delta's GCA is \$8.1172 per Mcf, which is a decrease of \$.3718 per Mcf from the previous GCA of \$8.4890 per Mcf.

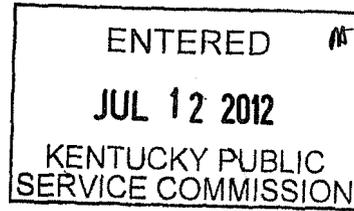
7. The GCA rates in the Appendix to this Order are fair, just, and reasonable, and should be approved for final meter readings by Delta on and after July 23, 2012.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix to this Order are approved for final meter readings on and after July 23, 2012.

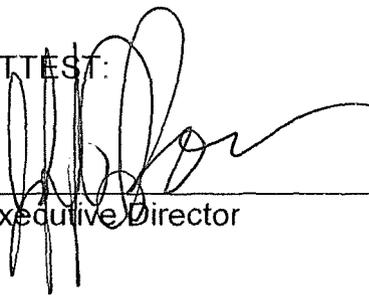
2. Within 20 days of the date of this Order, Delta shall file its revised tariffs with this Commission setting out the rates authorized herein and reflecting that they were approved pursuant to this Order.

By the Commission



Commissioner Breathitt is abstaining from this proceeding.

ATTEST:



Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2012-00253 DATED JUL 12 2012

The following rates and charges are prescribed for the customers in the area served by Delta Natural Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

RATE SCHEDULES

AVAILABILITY

Available for general use by residential, commercial, and industrial customers.

RATES

	<u>Base Rate</u>	plus	<u>Gas Cost Recovery Rate</u>	equals	<u>Total Rate</u>
Residential					
Monthly Service Charge	\$ 20.70				
All Ccf	\$.43185		\$.81172		\$ 1.24357

Residential rates are also subject to the Conservation/Efficiency Program Cost Recovery Component (CEPRC) of \$.01173 per Ccf.

Small Non-Residential

Monthly Service Charge	\$ 31.20				
All Ccf	\$.43185		\$.81172		\$ 1.24357

Large Non-Residential

Monthly Service Charge	\$ 131.00				
1 – 2,000 Ccf	\$.43185		\$.81172		\$ 1.24357
2,001 – 10,000 Ccf	.26696		.81172		1.07868
10,001 – 50,000 Ccf	.18735		.81172		.99907
50,001 – 100,000 Ccf	.14735		.81172		.95907
Over 100,000 Ccf	.12735		.81172		.93907

Interruptible

Monthly Service Charge	\$ 250.00		
1 - 10,000 Ccf	\$.16000	\$.81172	\$.97172
10,001 – 50,000 Ccf	.12000	.81172	.93172
50,001 – 100,000 Ccf	.08000	.81172	.89172
Over 100,000 Ccf	.06000	.81172	.87172

Connie King
Mngr. Corporate & Employee Services
Delta Natural Gas Company, Inc.
3617 Lexington Road
Winchester, KY 40391